

North Carolina Department of Insurance



OFFICE OF STATE FIRE MARSHAL

Wayne Goodwin, State Fire Marshal

Volunteer Rescue/EMS Fund Grant Program

Continuation Review Report

Per S.L. 2015-241 Sec.6.20

March 14, 2016



Volunteer Rescue/EMS Fund Grant Program

Program Objective:

- Provide matching grants to enable eligible volunteer Rescue/EMS units to purchase equipment and make capital improvements

G.S. 58-87-5.(a)



Statutory Authority

- S.L. 1987-1062 created the “Volunteer Rescue Squad Fund” in the Department of Insurance
- Was G.S. 118-51, now recodified as **G.S. 58-87-5. Volunteer Rescue/EMS Fund.**



Grant guidelines

- Majority of grants on a dollar-for-dollar match basis
 - A non-matching grant option is available to departments that have total liquid assets of less than \$1,000. These applications may not exceed \$3,000. (NCGS 58-87-5(a)(1), S.L. 2014-64).
- The grant may be used only for equipment purchases, payment of highway use taxes on those purchases, or capital expenditures
 - NCAREMS and DHHS produce priority listings of EMS or rescue equipment eligible for purchase with grant funds
- An applicant may receive no more than one grant per fiscal year



Grant eligibility criteria

- All volunteer
 - May have up to 10 FTEs paid members
- Has been recognized by the Department as a rescue unit, a rescue/EMS unit, or an EMS unit



- Safety equipment prioritized
 - Vehicles, capital expenditures, and funds to place Federal Excess equipment into service also considered
- Applications evaluated and scored based on unit's:
 - Per capita income
 - Number and age of vehicles
 - Volunteer v. Paid staffing levels
 - Financial status
 - Type of equipment requested



Functions performed without statutory authority:

The Department of Insurance performs no functions associated with this program that are not authorized by statute.



Eligibility Criteria

- 58-87-5
- North Carolina Administrative Code
 - (11 NCAC 05a .0703-.0705)



Non-subjective award process awarding grant funds to units in the following priority order:

- i. Rescue units
- ii. Rescue/EMS units
- iii. EMS units licensed as EMS providers per G.S 131E-155.1
- iv. Volunteer fire department EMS units that are part of a county's EMS system plan

Units funded per above priority order until funds exhausted



Performance Measures

- All application financial information subject to audit by Grant Administrator
- Grant payments provided on reimbursement basis



Performance Measures

- OSFM maintains listing of all equipment purchased by grant recipients
- OSFM may conduct on-site examinations of grant recipients to ensure appropriate use of grant funds

G.S. 58-87-7. Oversight and accountability of grant awards.

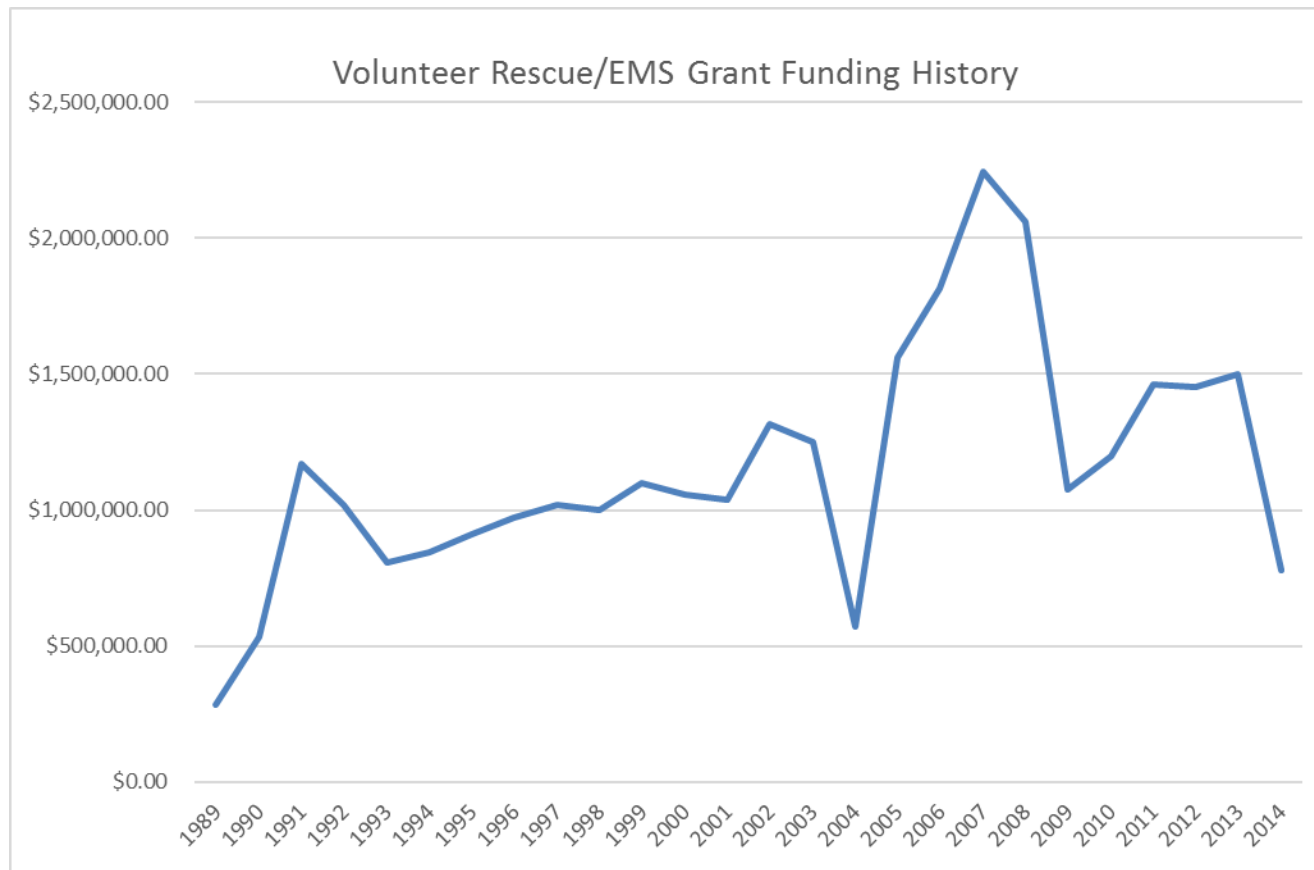


Performance Measures

Annual funds awarded indicate amount of assistance provided to volunteer rescue/EMS units Statewide during the life of this grant program



Program Activity





Program Activity

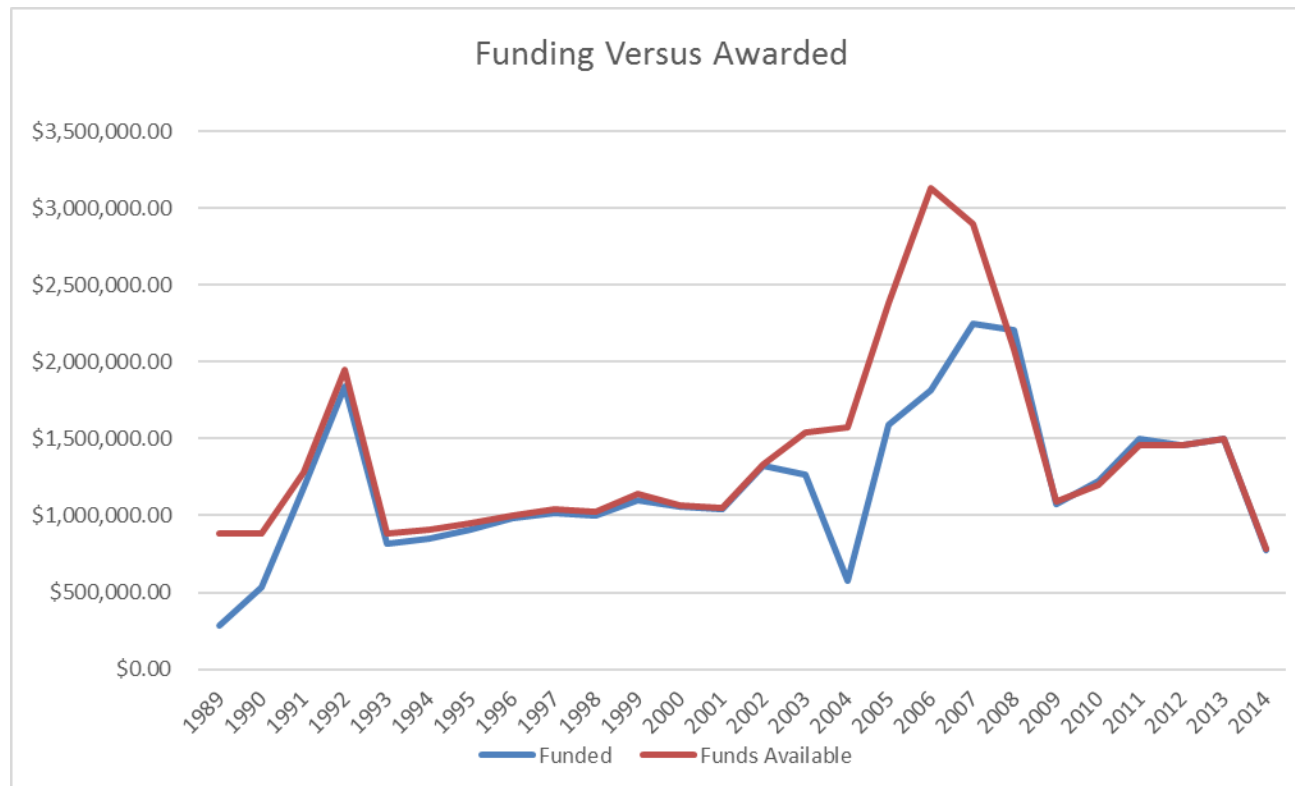
Net funds broken down by year:

1989	\$282,338.70	1998	\$998,393.72	2007	\$2,243,766.93
1990	\$532,750.35	1999	\$1,101,440.67	2008	\$2,062,207.96
1991	\$1,169,808.45	2000	\$1,055,893.21	2009	\$1,077,212.44
1992	\$1,017,081.66	2001	\$1,188,403.28	2010	\$1,199,318.83
1993	\$805,473.36	2002	\$1,317,515.26	2011	\$1,463,777.12
1994	\$846,234.48	2003	\$1,251,531.64	2012	\$1,454,169.08
1995	\$908,871.79	2004	\$570,923.41	2013	\$1,498,083.48
1996	\$974,221.27	2005	\$1,561,599.45	2014	\$778,058.93
1997	\$1,019,961.65	2006	\$1,812,893.10		

Total funding: \$30,191,930.22

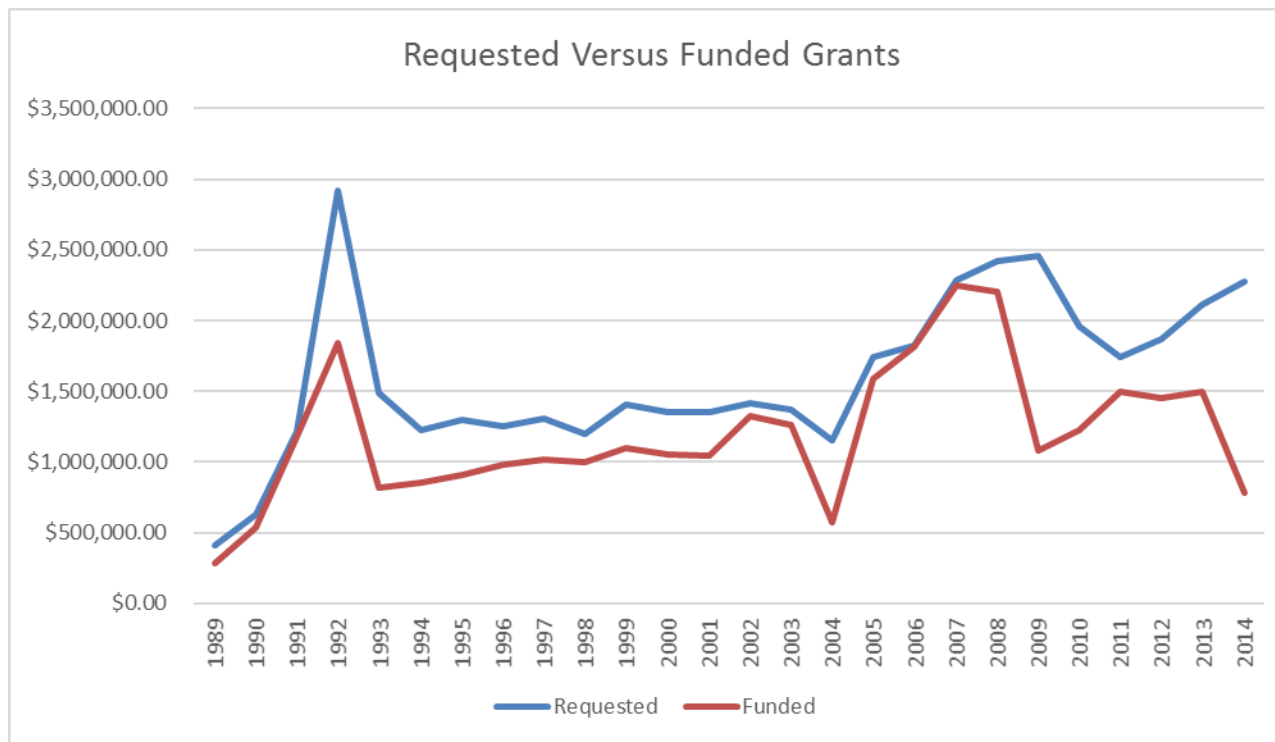


Program Activity





Program Activity



Program Activity

- Program goal
 - Fully expend all funds by making awards to as many eligible rescue/EMS units as possible
- Funds fully awarded every year
 - Slight balance may result when units are unable to satisfy matching requirement



Program Timeline/Grant Cycle

Aug. 1 – Volunteer Rescue/EMS Grant opens

- Grant announcements emailed to all grant participants
- Grant application available online through the Department of Insurance – Office of State Fire Marshal website:

[http://www.ncdoi.com/OSFM/Fire Rescue Grants and Relief Funds/](http://www.ncdoi.com/OSFM/Fire_Rescue_Grants_and_Relief_Funds/)



Program Timeline/Grant Cycle

Aug. 1 – Volunteer Rescue/EMS Grant opens

Oct. 1 – Application due date

Oct. 2 through Dec. 7 – Application Review

- Confirm unit eligibility, review and score applications

Dec. 15 – Grant Awards

- Email notification to grant recipients
- Post awardee list on Department of Insurance website

Feb. 15 – Report awarded grants to NCGA



Performance Measures

- Total awards to date over \$30,000,000
- Awards made to units in all regions of State
- Enables units to provide higher level emergency response services than would be possible without this financial assistance
- Grant-funded equipment used to protect life, the environment and property throughout State

Program Funding

- Program entirely funded by vehicle safety and emissions inspections fees
 - \$0.18 per inspection



Volunteer Rescue/EMS Fund			
	FUNDING SOURCE		
GS 58-87-5			
Cost Center - 2123, 21232302, 21232304, 21232394			
Funding Source:	DOT Highway Fund - DMV State Inspections Program .18 cents		
2014	\$1,451,931.15		
OSFM 2%	\$29,038.62		
NCAREMS 4%	\$58,077.25		
*Total for Grant:	\$779,932.64		
* Minus any encumbered funds to pay for outstanding grants from previous year			
	OSFM Expenses:		
Staffing: 3			
Grant/Relief Fund Administrator			
PROGRAM ASSISTANT V			
PROCESSING ASSISTANT III			
	Item	Amount	Source of Funding
	**Total Salary & Benefits:	\$155,725.29	63901, 23901, 23900
	Operations:	\$20,399.42	
* This is the amount of funds available at the time the grant was funded.			
** This total expense included the two (2) grant programs and the two (2) Relief Fund Programs			

Recommended Administrative Rule Changes

The Department is currently working through the administrative law rulemaking process to update relevant Administrative Code provisions to improve upon certain aspects of grant fund operations.

- See Appendix B for proposed changes

Transferring Program

The Department does not believe moving this Program to the Department of Transportation would be in the best interest of:

- Efficiency
- Subject matter/Agency expertise



Transferring Program

Subject Matter Expertise

The purpose and subject matter of the Volunteer Rescue/EMS Fund Grant Program relates directly to the mission and skill set of the Office of State Fire Marshal



Transferring Program

Efficiency

Grant administrator:

- Oversees a range of related fire & rescue grant programs
- Works directly with OSFM staff uniquely expert in subject matter and equipment funded by program

Consequences of Discontinuing or Changing Funding

- Discontinuing Funding
- Alternative Funding



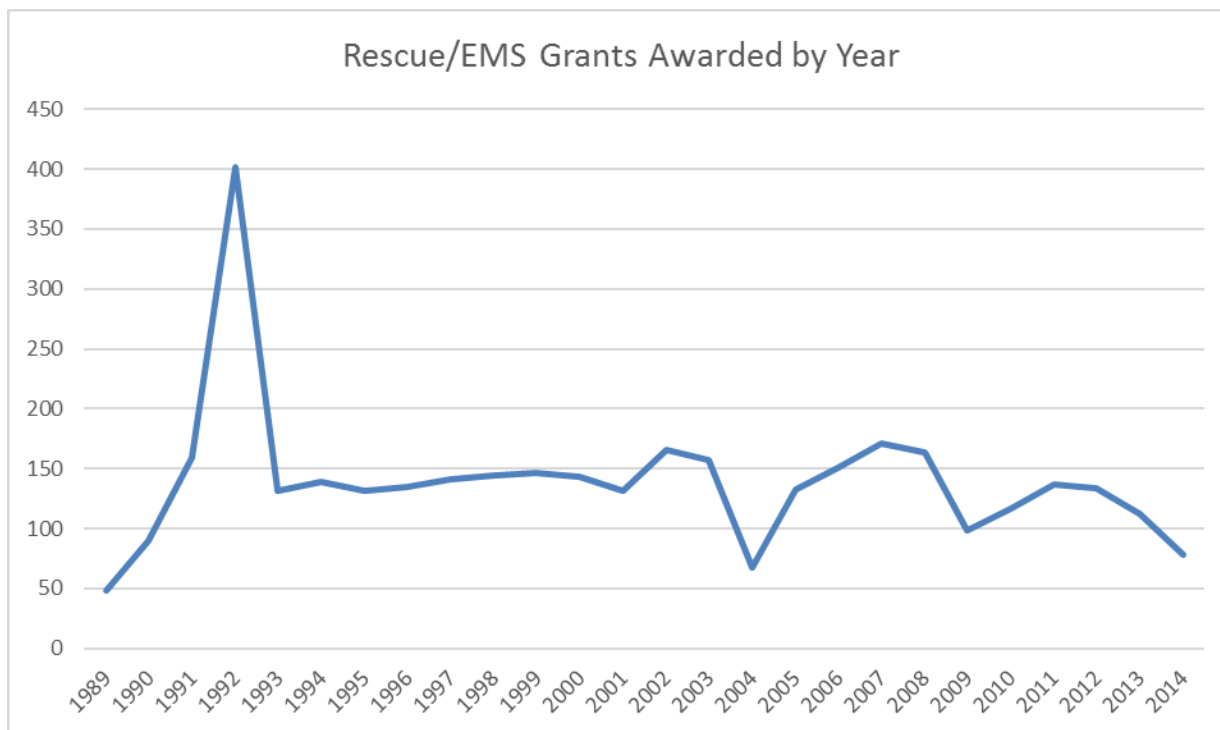
Discontinuing Funding

Eliminating this program and funds would have a direct negative effect on rescue/EMS units ability to provide quality emergency services to North Carolinians across the State

- 139 units Statewide assisted each year (average)



Annual Grant Awards





Funding from other than DOT

- \$.18 per vehicle safety inspection fee funds Program
- Funds paid by drivers support rescue/EMS units purchases of needed emergency response equipment to aid injured North Carolinians, including all persons involved in accidents on our roads and highways Statewide
- NCGA created Fund in 1987 with a transportation-related source of funding, as is currently in place
- The Department contends that the source and use of the funds are directly related and so should be considered an appropriate use of these funds



Funding from other than DOT

- If other funds were to be considered for this program, there may be issues of payments from unrelated sources being considered a new tax
- The Department would have concerns re:
 - Stability of source of funds
 - Sufficiency of new funding stream to meet needs

Recommendations

- Improving Program Operations
- Reducing costs or duplication
- Recommendations



Improving Program Operations

The Department is engaged in the rulemaking process to improve the grant application process by excluding applications submitted with erroneous information



Reducing costs or duplication

- Current grant administrator coordinates three other functionally similar programs
- Administrative fee per G.S. 58-87-5.(a) set at 2% (*FY 2015 \$29,038.62*)
- Department believes current administrative approach is efficient



Recommendation

Allow the use of grant funds to pay for the costs of putting property into service acquired from the Department of Defense through:

- The Firefighter Property (FFP) Program
- Federal Excess Property (FEPP) Program

Such use permissible under Volunteer Fire Department Fund (G.S. 58-87-1.(c))



Recommendation

Endorse PED recommendation that the General Assembly amend G.S. 58-87-5 to require units that disband within five years of receiving grant funds transfer grant-funded purchased equipment to nearby units